GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:6195
ANSWERED ON:05.05.2000
MEMORANDUM OF UNDERSTANDING WITH ASSAM
ABDUL HAMID;RANEE NARAH

Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government have made any Memorandum of Understanding with Assam Government for the financial arrangement; and

(b) if so, the modalities of the said MoU?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE

SHRI BALASAHEB VIKHE PATIL

(a)& (b): Based on the decision taken in the NDC Sub-Committee meeting chaired by the Union Finance Ministeon 20.3.1999, an Official Committee was set up to monitor and review the fiscal reform programmes of the States.The process of fiscal reform initiated by several States during 1999-2000 envisaged formulation and implementation of a credible and monitorable programme to achieve fiscal stability. State Government of Assam had also drawn up their fiscal reform programme in consultation with the Official Committee. This programme includes administrative reforms/economy measures, rationalisation of man power in Government, tax and non-tax reform, expenditure reform, reform in public sector and reform in transport sector etc. The Official Committee approved an extended Ways and Means Advance of Rs. 300 crores to the State Government of Assam during the year 1999-2000 as medium term assistance to assist the State in implementing their fiscal reform programme.